



State of New Jersey

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CHRIS CHRISTIE

Governor

January 23, 2017

The Honorable Stephen Sweeney
Senate President
935 Kings Highway
Suite 400
West Deptford, NJ 08086

The Honorable Thomas Kean
Senate Minority Leader
425 North Avenue East
Suite C
Westfield, NJ 07090

The Honorable Vincent Prieto
Speaker of the General Assembly
1249 Paterson Plank Road
Secaucus, NJ 07094

The Honorable Jon Bramnick
Assembly Minority Leader
251 North Avenue West
2nd Floor
Westfield, NJ 07090

Gentlemen:

On December 19, 2016, A-4429/S-2855, which permits the publication of legal notices by government agencies and individuals on government notice websites instead of newspapers ("Legal Notice Bill") was posted for a full vote of the Senate and Assembly, but ultimately held without a vote. Since December 19, my office has uncovered additional information that demonstrates that the amount of money wasted on these publications is exorbitant and that the New Jersey Press Association and the leaders of leading media companies deceived the Legislature and our citizens about the amount of their taxpayer subsidy.

My office estimated that New Jersey's 16 daily newspapers and 120 weekly newspapers receive approximately \$80 million in annual revenue from the publication of legal notices. This estimate was based on a tally of legal notices for 30 consecutive days for each daily newspaper.

The New Jersey Press Association's only public representation regarding revenues received for the publication of legal notices was \$20 million. This figure has been repeated as truth by editorial writers, reporters and, most recently, blindly repeated by Rutgers Professor Linda Stamato, in an op-ed piece.

Late last year, I publicly called for the New Jersey Press Association, or their member newspapers, to provide certified financial information to corroborate this claim. To date, we have not

received any documentation from the Press Association or their member newspapers to support the \$20 million claim.

Given the Press Association's refusal to provide any information, my office undertook a review of all legal notices published in every Star-Ledger newspaper in 2016 as a starting point in resolving this factual difference. Our review has revealed that the Star-Ledger alone received \$16.6 million in revenue from the publication of legal notices in 2016.¹ To be sure our analysis was fair, it included a significant reduction in the annual face value of the legal notices to account for notices published on multiple days. This \$16.6 million in Star-Ledger annual revenue leaves only \$4 million of annual revenue for the remaining 15 daily newspapers and 120 weekly newspapers, if the Press Association and their members are to be believed. This obviously doesn't add up.

In fact, our analysis shows that of the \$16.6 million in Star-Ledger revenue, at least \$4 million was from legal notices paid for by private parties, like sheriff's sale notices. These notices are required by law to be published in two different newspapers. Therefore, a second newspaper also received this same \$4 million in revenue in addition to the \$16.6 million received by the Star-Ledger. With that alone, the Press Association \$20 million number is wrong.

This information, particularly in light of the Press Association's silence, demonstrates that the \$20 million represented to the Legislature, their own reporters and the public was an intentional misrepresentation meant to protect their government subsidy.

The current available and credible evidence provided by this office demonstrates that the Legal Notice Bill will save New Jersey property taxpayers tens of millions of dollars every year.

We will continue our painstaking review of these taxpayer subsidized legal notices, next reviewing the 2016 revenue of the Gannett papers. We must do this to reveal the truth to the public. Of course, if the remaining member newspapers would be willing to immediately provide their audited and certified revenues from legal notices (both public and private) to the Legislature and the public, this entire process would be short circuited and the untruthfulness of their previous representations fully revealed. Then debate on this bill could proceed honestly and openly on the real costs to the taxpayers of this subsidy.

¹All of the underlying data obtained from our review of legal notices was provided to those journalists that requested it pursuant to the Open Public Records Act.

The facts related to the reduction of costs to the taxpayers under this bill are clear and undisputed, which is why the League of Municipalities, the Association of Counties and the School Board Association all support this bill. Every single county, and 532 out of 565 municipalities in the State maintain websites with public notices and information. In addition, sheriff's sales are already posted, in searchable format, on County Sheriff websites throughout the State, as provided by the Legal Notice Bill. Based on the Press Association's own numbers, this means at least 60% of all legal notices are already posted on government notice websites.

The savings achieved by government and our citizens by permitting legal notices to be posted on the internet will be very substantial. Please remember, however, under this bill any government may still choose to print legal notices in newspapers if they believe that is the better course for their government and their taxpayers.

It is difficult to imagine how anyone can argue that posting a notice on the internet is less transparent than posting a notice on one day, in one newspaper that is circulated throughout only part of the State.

Finally, just by way of example, the Star Ledger published today has 25 of its 52 pages devoted to Legal Notices. Also today, the multi-billion dollar Gannett Company laid off another 141 New Jerseyans to fatten their bottom line. These layoffs were not caused by any governmental action, but done by an out-of-state owner to increase their corporate profits. Why are taxpayers being asked to continue to subsidize what they won't ask their owners or shareholders to subsidize?

I trust this new information will deepen your commitment to the Legal Notice Bill. I believe the way you and the public have been deceived on this issue should offend you and lead you to demand honesty from these multi-billion dollar companies receiving taxpayer funded subsidies every year. I look forward to working with you on moving the Legal Notice Bill through the Legislature in short order.

Sincerely,



Chris Christie
Governor